

**MINUTES OF MEETING  
OF THE COMPENSATION COMMITTEE OF THE  
BOARD OF DIRECTORS OF  
THE UNIVERSITY OF TEXAS/TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

A meeting of the Compensation Committee (the "Committee") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in open session on **November 29, 2017**, at the Hilton Garden Inn at 220 East Grande Boulevard in Tyler, Texas, said meeting having been called by the Committee Chair, Ray Rothrock, with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded and broadcast over the internet. Participating in the meeting were the following members of the Committee:

Ray Rothrock, Chair  
Kyle Bass  
Robert Gauntt  
Ray Nixon

Jeffery D. Hildebrand, Chairman of the Board, and Directors Phil Adams, Janet Handley, and Rad Weaver also attended the meeting, thus constituting a majority and quorum of the Committee and the Board. Committee Chair ("Chairman") Rothrock called the meeting to order at 12:12 p.m. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Joan Moeller, Treasurer and Secretary; Cecilia Gonzalez, Corporate Counsel and Chief Compliance Officer; Mark Warner, Senior Managing Director; and other UTIMCO employees. Other attendees were Jerry Turner of Andrews Kurth Kenyon LLP; Allen Hah, Barry McBee, Roger Starkey, and Karen Adler of UT System; and David Rejino of The Texas A&M University System. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

**Approval of Minutes**

Chairman Rothrock asked for Committee approval of the minutes from the Compensation Committee meeting held on November 16, 2017. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the minutes of the Meeting of the Compensation Committee of the Board of Directors held on November 16, 2017, be, and are hereby, approved.

**Executive Session**

Prior to going into executive session, Chairman Rothrock announced that, "The Compensation Committee of the Board of Directors of The University of Texas/Texas A&M Investment Management Company having been duly convened in Open Session and notice of this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committee, for the purpose of deliberating individual personnel compensation and evaluation matters, including Performance Awards for UTIMCO Compensation Program Participants for the Performance Period ended August 31, 2017. This Executive Session meeting of the Committee is authorized by Texas Government Code Section 551.074 (Personnel

Matters). The date is November 29, 2017, and the time is now 12:13 p.m." With the exception of Mr. Harris, Ms. Moeller, Mr. Warner, and Mr. Turner, all others left the meeting at this time. Mr. Warner and Ms. Moeller left the meeting during discussion of their performance awards.

### **Open Session**

The Committee reconvened in open session and Chairman Rothrock announced that, "The Open Session of the Compensation Committee of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is November 29, 2017, and the time is now 12:38 p.m. During the Executive Session, the Committee deliberated individual personnel compensation and evaluation matters but no action was taken nor decisions made, and no vote was called for or had by the Committee in Executive Session."

### **Performance Awards for UTIMCO Compensation Program (Plan) Participants for the Performance Period ended August 31, 2017**

Chairman Rothrock stated that there were two resolutions for Committee approval. The first resolution before the committee related to the recommended award for the Interim CEO. The second resolution before the Committee was the Performance Awards for all other Plan Participants. Both resolutions are subject to further approval by the Board, as set forth in the Committee Meeting materials. Upon motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each "Performance Period," the Board will determine the level of achievement of the CEO relative to the CEO's "Performance Goals" for such Performance Period; and

WHEREAS, on October 13, 2016, Mark Warner was appointed as the Interim CEO and Chief Investment Officer of the Corporation with all the powers and duties of Chief Executive Officer and Chief Investment Officer of the Corporation and served in that capacity until July 31, 2017; and

WHEREAS, the Committee has reviewed the actual performance of the Interim CEO during the Performance Period and has compared such actual performance relative to each Performance Goal category for the CEO against his corresponding Performance Goal for such Performance Period and recommends that the Board review the same; and

WHEREAS, Sections 5.5.(e) and 5.5.(f) of the Plan provide that, based on the percentage achieved of each Participant's Performance Goals for a Performance Period, a Performance Award will be calculated for each Participant for such Performance Period in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Section 5.5.(f) of the Plan provides that the Committee will review all calculations of Performance Awards, make any changes it deems appropriate, and submit its recommendation to the Board for approval; and

WHEREAS, the Committee has reviewed the calculation of the Performance Award for the Interim CEO of the Corporation, approves such calculation, and recommends that the Board approve the Interim CEO's Performance Award.

NOW, THEREFORE, be it:

RESOLVED, that the Interim CEO's Performance Award for the Performance Period ended August 31, 2017, in the total amount of \$1,407,907 is hereby approved, subject to further approval of the UTIMCO Board and be it

FURTHER RESOLVED, that of the Interim CEO's \$1,407,907 Performance Award for the Performance Period ended August 31, 2017, 50% (\$703,953.50) will be deferred pursuant to the Plan.

And,

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each Performance Period, the Compensation Committee (the "Committee") will approve, subject to further approval by the UTIMCO Board (the "Board"), the Performance Award of each Participant (excluding the CEO) based upon a determination of the level of achievement of such Participant against his or her "Performance Goals" for such Performance Period; and

WHEREAS, in accordance with Section 5.5.(d) of the Plan, the Committee has determined the level of achievement of each Participant in the Plan for the Performance Period ended August 31, 2017, of his or her Performance Goals for such Performance Period; and

WHEREAS, Section 5.5.(e) of the Plan provides that, based on the percentage achieved of each Participant's Performance Goals for a Performance Period, a Performance Award will be calculated for each Participant for such Performance Period in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Section 5.5.(f) of the Plan provides that the Committee will review all calculations of Performance Awards, make any changes it deems appropriate, and submit its recommendation to the Board for approval; and

WHEREAS, the Compensation Committee has reviewed the Performance Awards for all Participants who have met or exceeded their performance benchmarks for the Performance Period ended August 31, 2017, and wishes to document approval of such Performance Awards and recommend that the Board approve the same.

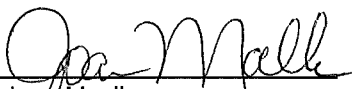
NOW, THEREFORE, be it:

RESOLVED, that the Performance Awards for all Participants (excluding the Interim CEO) for the Performance Period ended August 31, 2017, in the total aggregate amount of \$7,224,317 is hereby approved, subject to further approval of the UTIMCO Board and be it

FURTHER RESOLVED, that of the Performance Awards for all Participants (excluding the Interim CEO), 25.3% (\$1,825,081) will be deferred pursuant to the Plan.

**Adjourn**

There being no further business to come before the Committee, the meeting was adjourned at approximately 12:43 p.m.

Secretary:   
Joan Moeller

Approved:  Date: 2/21/18  
Ray Rothrock, Chair  
Compensation Committee of the Board of Directors of  
The University of Texas/Texas A&M Investment Management Company